

ORIG ACTMEN TO S/CT
ORIG LTR TO ADDRESSEE SECY OF COMMERCE
COPIES TO:

United States Department of State

Washington, D. C. 20520



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ACTION MEMORANDUM

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TO: The Acting Secretary

THROUGH: P - Robert M. Kimmitt RMC

FROM: S/CT - Katherine Shirley, Acting
NEA - John H. Kelly

SUBJECT: Returning Iraq to the Terrorism List

ISSUE FOR DECISION

Whether to make a formal determination that Iraq is a state sponsor of terrorism.

BACKGROUND:

The Intelligence Community prepared an assessment of Iraqi support for terrorism in early July and, at the request of the Department, updated that assessment on August 9. (See Tab 3) The assessments build a strong case that Saddam Hussein has strengthened his ties to terrorist groups and may use terrorism to intimidate his Arab and Western opponents.

Iraq also has long supported elements of the PLO--including Colonel Hawari's Special Operations Group and the Abu Abbas faction of the Palestine Liberation Front (PLF). The PLF began publicly threatening to attack Americans in defense of Iraq on August 8.

Iraq was an original member of the list of state sponsors of terrorism, but was removed in 1982. Section 6(j) of the Export Administration Act of 1979, as amended by the Anti-Terrorism and Arms Export Amendments Act of 1989 gives the Secretary of State authority to determine that a government has repeatedly provided support for acts of international terrorism. The provision of training, funds, and safehaven are identified in the legislative history as forms of support justifying such a determination. (See Tab 4)

Declassified By: Frank Machak
Director, Office of FOI, Privacy,
and Classification Review
June 1, 1992

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ESSENTIAL FACTORS

In July there was disagreement as to whether the evidence was sufficient to place Iraq on the list. We also doubted that placing Iraq on the list of state sponsors would effectively deter Baghdad from supporting the radical Palestinian terrorist groups. We tried instead through public and private diplomatic channels to dissuade Baghdad from again employing terrorism as a tool of its foreign policy. We raised our concerns directly with Iraq both here and in Baghdad. We tried a number of approaches through others. We asked our European and moderate Arab friends to caution Baghdad against renewing ties to terrorist groups. We have to conclude from the increase in reports of plans by Iraqi-supported terrorist groups to attack Western and moderate Arab interests--and the benefit of hindsight--that these approaches had little effect.

Iraq's resumption of support to terrorist groups who are publicly threatening to attack U.S. citizens and property and its detaining of Americans is so egregious that we believe you should act now to place Iraq back on the list of state sponsors.

There will be no direct economic consequences of a decision to return Iraq to the list. The sanctions imposed on Iraq following its invasion of Kuwait go beyond those that will take effect if Iraq is put back on the list of state sponsors of terrorism. But, there is a prior case (North Korea in 1988) where a state was placed on the list even though broad US trade sanctions already had been imposed for other, non-terrorism reasons.

If you determine that Iraq warrants inclusion on the list of state sponsors of terrorism, the Department must advise Commerce so that it may take the appropriate steps to implement the action. This may entail a slight amendment to the regulations already covering export controls for Iraq. Your determination will also be printed in the Federal Register.

Recommendation:

That you sign the attached determination (Tab 1) which places Iraq on the list of the state sponsors of terrorism and sign the attached letter to Secretary Mosbacher (Tab 2) advising him of your decision.

Approve ✓ OCT 1 1990 Disapprove _____

Attachments:

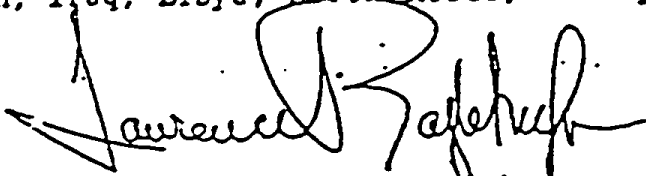
- Tab 1: 6(j) Determination
- Tab 2: Letter to Secretary Mosbacher
- Tab 3: Intelligence Assessments (PROVIDED AS A SEPARATE DOCUMENT)
- Tab 4: Excerpts from Anti-terrorism and Arms Exports Amendments Act and Senate Report

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Determination Pursuant to Section 6 (j) of the Export
Administration Act of 1979--Iraq

In accordance with Sec. 6 (j) of the Export Administration Act (50 U.S.C. App. 2405 (j)), I hereby determine that Iraq is a country which has repeatedly provided support for acts of international terrorism. The list of 6(j) countries as of this time therefore includes Cuba, Iran, Iraq, Libya, North Korea, and Syria.



Lawrence S. Eagleburger
Acting Secretary

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DEPARTMENT OF STATE
WASHINGTON

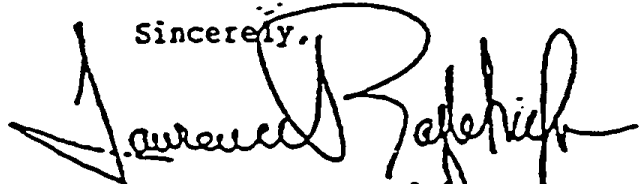
September 1, 1990

Dear Mr. Secretary:

This is to advise you that in accordance with Sec. 6 (j) of the Export Administration Act (50 U.S.C. App. 2405 (j)), I hereby determine that Iraq is a country which has repeatedly provided support for acts of international terrorism. The list of 6(j) countries as of this time therefore includes Cuba, Iran, Iraq, Libya, North Korea, and Syria.

I am therefore requesting you to make the appropriate regulatory amendments to reflect this designation.

Sincerely,

A handwritten signature in dark ink, appearing to read "Lawrence S. Eagleburger". The signature is fluid and cursive, with a large initial "L" and "E".

Lawrence S. Eagleburger
Acting Secretary

The Honorable
Robert A. Mosbacher,
Secretary of Commerce.

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